

# CityRegion

Inside

Calendar B2  
For The Record B2  
Obituaries B2

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SECTION B

## Bill OK'd to loosen rules on colleges

*It gives Oregon's public universities more control over funds and day-to-day decisions*

BY SAUL HUBBARD  
*The Register-Guard*

SALEM — The University of Oregon and the state's six other public universities would gain more autonomy and have more control over their own finances under a bill passed Monday by the Oregon House.

Senate Bill 242, approved on a 55-5 vote, would allow universities to hold onto the interest earned on student tuition, as well as use their own funds to buy property and build facilities without requiring legislative approval, among other changes.

Currently, the Legislature caps public universities' expenditures in its higher education budget and appropriates tuition interest dollars — expected to amount to about \$7 million over the next two years — to cover other general fund expenses.

The state Department of Administrative Services and Department of Justice also have a great deal of oversight with regard to many day-to-day operations at Oregon's universities.

Proponents say SB 242 does away with much of that bureaucratic "red tape" by allowing the Oregon University

## Higher ed: Creates new 15-member panel

*Continued from Page B1*

System to no longer be classified as a state agency, thereby freeing public universities from numerous state agency regulations.

"Universities will no longer be treated the same as the DMV or the Department of Corrections," said Rep. Tobias Read, a Beaverton Democrat. "No longer would Portland State University need the help of the Department of Justice to get an attorney, to help with a variance, to build a building. No longer would Oregon State University need the Department of Administrative Services' permission to fix a roof on a residence hall."

SB 242 would also create the Higher Education Coordinating Commission, a 15-member body that would oversee both public universities and community colleges and coordinate the state's higher education goals.

"This bill will allow us to fight the fragmentation that exists in Oregon education," said Rep. Michael Dembrow, a Portland Democrat. "The gaps that currently exist between community colleges and universities will begin to close."

To keep institutions of higher education accountable, the bill includes an agreement that the Legislature will work with the coordinating commission in the future to set specific educational quality goals, such as higher graduation rates. State funding to universities will be tied to meeting those goals.

Critics said the bill would simply give universities more freedom without providing any kind of strategic plan to improve Oregon's higher education system as a whole.

"Sort of like an adolescent just (saying): 'Please give me some money, and don't tell me when I should be in tonight,'" said Rep. Mitch Greenlick, a Port-

land Democrat.

Rep. Vicki Berger, a Salem Republican, said she believes higher education has already grown "out-of-control" and the bill would only further facilitate that unfettered growth.

"What we should be doing is getting better control of this," she said. "Why do we have all those bureaucrats at the top (of the university system) who aren't teaching anybody?"

The bill now heads back to the Senate for approval of some House amendments.

The changes in SB 242 aren't nearly as sweeping as those proposed by UO President Richard Lariviere who, earlier this year pushed for the UO to be governed largely by its own board of directors and funded primarily through an endowment that the state would create by issuing bonds. Lariviere's plan died earlier this session.

However, UO Provost James Bean said he believed SB 242 would allow universities more freedom from "at times cumbersome" state oversights.

"It gives us the ability to do business more effectively," he said.

He added that the bill also contains sideboards to potentially prevent "a rogue university president from going off into left field."

The proposal would put into law some safeguards in terms of ensuring affordability and accessibility at public universities, Bean said. It contains a "very strict and public process" for potential tuition increases and does not exempt universities from Oregon's public records laws.

Bean said the legislation, if approved, would be only a step in higher education reform in Oregon and that the UO remains committed to further discussions on Lariviere's proposal at a later date.

"There's a lot of work still to do," he said.